

Stakeholder Comment Form

ISO Rules Process Proposed Level I Changes to Existing ISO Rule 6.6

NOTE: The ISO is asking market participants to give an initial indication of their support for, or opposition to, the specific ISO rule changes referenced below. Such an initial indication assists in the ISO's practical understanding of the receptivity of the industry to the proposed changes, and in that regard the ISO thanks in advance all market participants who choose to respond. With regard to the specific ISO rule changes and their implications, such responses are without prejudice to the rights of market participants under the Act, any regulations, or related decisions of the Commission.

Date of Request for Comment: May 26, 2009
Period of Consultation: May 26 through June 12, 2009

Comments From: Marcy Cochlan
Date: June 3, 2009
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General Comments

TransAlta still believes the AESO has taken an approach which will increase the administrative burden to participants without a demonstrated benefit. However, the changes the AESO has proposed should provide for a rule that participants can comply with from a technical perspective under most circumstances.

We appreciate the AESO's efforts in further reviewing and consulting on issues associated with ramping. The proposed changes are more amenable.

6.6 Pool Participant Non-Compliance with Energy Market Dispatch and Directives	
Definitions – for the purpose of this rule the terms below are defined as follows: “allowable dispatch variance” (ADV) as measured from the dispatch quantity (MW), means for each generating asset : (i) plus or minus five (5) MW for generating assets with a maximum capability of two hundred (200) MW or less, or	Support Oppose No Comment

- (ii) plus or minus ten (10) **MW** for **generating assets** with a **maximum capability** of greater than two hundred (200) **MW**.

“10 minute clock period” means any one of the following six 10 minute periods in any hour:

- ME:01 to ME:10
- ME:11 to ME:20
- ME:21 to ME:30
- ME:31 to ME:40
- ME:41 to ME:50
- ME:51 to ME:60

where “ME” means minute ending.

“operational deviation” means:

- (i) a **generating asset** is unable to comply with the **ramping** requirements set out in **rule 6.6.3(a)** or 6.6.3(b), or
- (ii) a **generating asset** operating in **steady state** varies outside its **ADV** due to **force majeure** or any other circumstances related to the operation of the **generating asset** which could reasonably be expected to affect the **available capability** or safety of the **generating asset**, third party facilities, contracts or arrangements, the environment, personnel working at the **generating asset** or the public.

“ramping” means the state of operation that begins at the point in time an **energy market dispatch** has been issued for a **generating asset** and continues until the point in time the **generating asset** has reached the quantity (**MW**) specified in the **energy market dispatch**, plus or minus the **ADV** for that **generating asset**.

“steady state” means the state of operation that begins the first **10 minute clock period** following the period in which a **generating asset’s** output has reached the quantity (**MW**) specified in an **energy market dispatch**, plus or minus the **ADV** for that **generating asset**.

Reason for Stakeholder Positions:

Alternate Proposal:

6.6.1 Dispatch Compliance Responsibilities

- (a) A **pool participant** may only deliver energy to the **AIES** pursuant to a **dispatch** or a **directive** issued by the **system controller**.
- (b) Subject to the provisions of this **rule 6.6**, a **pool participant** must comply with and follow an **energy market dispatch**.
- (c) With regard to its responsibilities under **rule 6.6.1 e**), a **pool participant** must use all reasonable best efforts to cause any **generating assets** referenced in an **energy market dispatch** or **directive** to be operated to the quantity (**MW**) that is the subject of that **dispatch** or **directive**, using good electric operating practice.
- (d) The **pool participant** must coordinate its energy, **dispatch down service** and **ancillary services** submissions to ensure that it is able to comply with all **dispatches** related to those submissions.
- (e) The **pool participant** must meet its **energy market dispatch** or **directive** compliance responsibilities using a standard of practice attained by exercising the degree of knowledge, skill, diligence, prudence and foresight which would reasonably and ordinarily be expected from a skilled and experienced person engaged in the same type of undertaking, including the design, implementation and use of a reasonable **energy market dispatch** or **directive** protocol together with personnel and software systems designed to detect and address errors or omissions in a timely fashion.

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Oppose
No Comment

Reason for Stakeholder Positions:

Suggested changes to c to directive and reasonable best efforts

Reasonable best efforts

TransAlta suggests this be changed to "reasonable efforts". "Best efforts" requires a party to take all reasonable steps to achieve the objective and leave no stone unturned. A reasonableness requirement already is embedded in the meaning of "best efforts", so adding "all reasonable" might suggest that this requires something unreasonable. "Reasonable efforts" on the other hand requires a party to do what is reasonable in the circumstances, all things considered, but does not require a party to place itself in a position of undue hardship. We would suggest that "reasonable efforts" is a more tempered and understandable standard.

Directive vs Energy Market Directive

We are concerned that the use of “directive” on its own may be too broad since the definition of “directive” is not limited to the context of dispatches for the purposes of this rule.

Alternate Proposal:

We suggest the wording be clarified to refer to “reasonable efforts” instead of reasonable best efforts, and “energy market directive” instead of directive.

6.6.2 Steady state Compliance

- (a) During **steady state**, with reference to an **energy market dispatch** issued to a **pool participant** the average quantity (MW) delivered by a **generating asset** in any **10 minute clock period** must not vary from the **energy market dispatch** quantity (MW) by more than the **ADV**.
- (b) A **pool participant** that is supplying **regulating reserve** from a **generating asset** must ensure that the quantity (MW) delivered in any **10 minute clock period** is:
 - (i) not less than the **energy market dispatch** quantity (MW) minus the **ADV** and
 - (ii) not greater than the **energy market dispatch** quantity (MW) plus the **regulation reserve** plus the **ADV**.

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Reason for Stakeholder Positions:

Alternate Proposal:

6.6.3 Ramping Compliance

- (a) In accordance with an **energy market dispatch** issued to a **pool participant**, the output of a **generating asset** which is the subject of the **energy market dispatch** and is **ramping** must be changed in a sustained manner towards the quantity (MW) indicated in that **energy market dispatch** within ten (10) minutes of the time specified in the **energy market dispatch**.
- (b) a **generating asset** must reach **steady state** in:

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<p>(i) no longer than the period of time calculated as follows:</p> <p style="padding-left: 40px;">(A) divide the incremental energy market dispatch quantity (MW) by the ramp rate submitted by the pool participant in the Energy Trading System;</p> <p style="padding-left: 40px;">(B) add forty percent (40%) of the time calculated in rule 6.6.3(b)(i)(A) or five (5) minutes whichever is greater;</p> <p style="padding-left: 40px;">(C) add the ten (10) minutes referred to in rule 6.6.3 (a);</p> <p style="padding-left: 40px;">and</p> <p>(ii) no sooner than the period of time calculated as follows:</p> <p style="padding-left: 40px;">(A) divide the incremental energy market dispatch quantity (MW) by the ramp rate submitted by the pool participant in the Energy Trading System;</p> <p style="padding-left: 40px;">(B) subtract forty (40%) of the time calculated in rule 6.6.3(b)(ii)(A) or five (5) minutes whichever is greater.</p>	
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Reason for Stakeholder Positions:

It is unclear what “in a sustained manner” means.

Alternate Proposal:

We suggest deleting “must be changed in a sustained manner and replacing it with must be changed to move directionally towards the quantity”. Deleting this would provide clarity to the rule yet still keep the purpose of the rule intact since it would still require a pool participant to be “ramping towards the quantity (MW) indicated”.

6.6.4 Operational deviation Energy Market Dispatch Relief	
<p>(a) With respect to an energy market dispatch, in the event that a generating asset experiences an operational deviation, the pool participant must verbally inform the system controller as soon as practical of the occurrence of the operational deviation and provide a description of the cause if known.</p>	<p>Support Oppose No Comment</p>

<p>(b) The pool participant must inform the system controller by telephone of the information required under rules 6.6.4 (a) on a recorded line on the ISO voice recording system.</p> <p>(c) Unless otherwise instructed by the system controller, the generating asset's available capability must be restated in accordance with rule 3.5.4.2 by the end of the next full 10 minute clock period after which the operational deviation occurred if the operational deviation extends for that period or longer.</p>	
<p><i>Reason for Stakeholder Positions:</i></p>	
<p><i>Alternate Proposal:</i></p>	

<p>6.6.5 Exceptions to Non-Compliance</p>	
<p>Notwithstanding the provisions set out in rules 6.6.2, 6.6.3 and 6.6.4, a pool participant will not be considered to be non-compliant with an energy market dispatch for a generating asset if the pool participant has met its responsibilities as set out in rule 6.6.1 and if one or more of the following circumstances occur:</p> <p>(a) The generating asset is ramping into position to provide operating reserves in response to an operating reserve dispatch in the fifteen (15) minutes before the time indicated in that dispatch;</p> <p>(b) The generating asset is operating below the minimum stable generation level indicated in the Energy Trading System, but only if that generating asset is:</p> <ul style="list-style-type: none"> (i) coming on line and its available capability submitted to the ISO is equal to its minimum stable generation and it has received an energy market dispatch for that quantity (MW); (ii) going off line and its available capability submitted to the ISO is equal to zero (0) and it has received an energy market dispatch for that quantity (MW); (iii) unable to follow the ramp rate submitted by the pool participant in the Energy Trading System when its output is being increased to its minimum stable generation and a verbal plan has been submitted to the system controller indicating the proposal for ramping to minimum stable generation, which verbal plan must be updated for deviations of greater than thirty (30) minutes or fifty (50) MW; or 	<p>Support Oppose No Comment</p>

<p>(iv) stopped at an output level not identified in the verbal plan referenced in iii) above, but which is below minimum stable generation for more than fifteen (15) minutes for an operational reason and has restated its available capability accordingly.</p> <p>(c) The generating asset is responding to abnormal frequency through automatic governor action;</p> <p>(d) An operational deviation has occurred and the pool participant has complied with rule 6.6.4; or</p> <p>(e) Energy delivered to the AIES from a generating asset while it is being tested or commissioned or both, but only if the pool participant has complied with the ISO Operating Policies and Procedures and has received approval from the system controller.</p>	
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Reason for Stakeholder Positions:

Comments are related to b) iv)

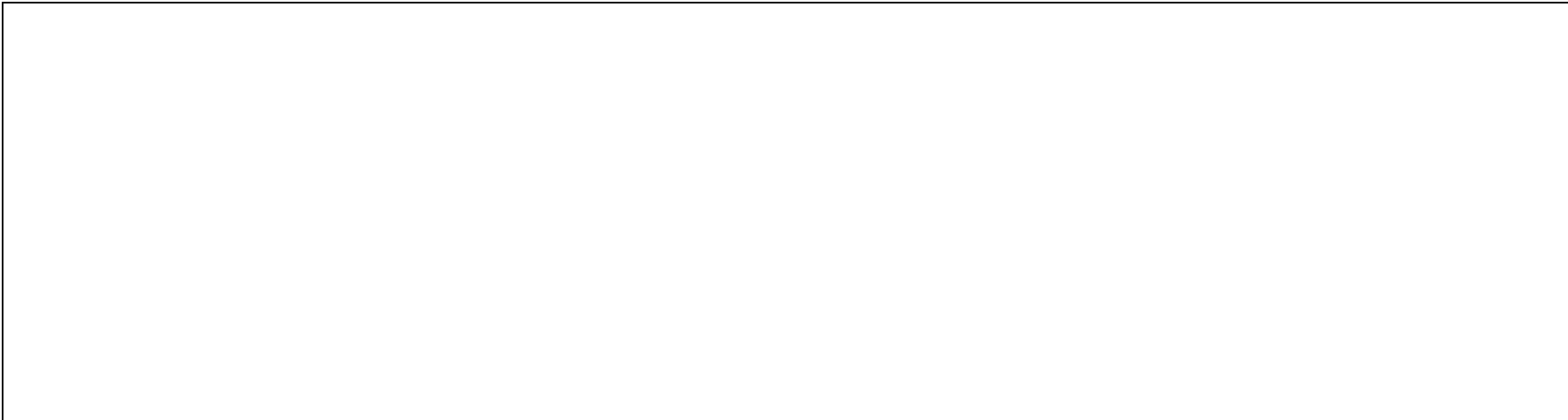
There are many demands on the operator of a generating facility during start up. 15 minutes is too short a period of time to ensure identification and communication of a deviation from a verbal plan. Once the operator has established that there is an issue with the facility that may affect its capabilities an operator must communicate to plant staff so they can investigate the problem, wait for results from plant staff, estimate a new AC value, communicate this to the trading or operating desk and communicate the new AC value to the AESO. 15 minutes in many circumstances will not be enough even with heroic efforts by the plant operators, staff, and pool participant. We respect the AESO's need for timely information. However, 15 minutes in this circumstance would be asking for more than timely information.

A 30 minute period would provide a more appropriate window to ensure the operator has enough time to identify and communicate a sustained deviation and a new AC level.

Alternate Proposal:

*iv) stopped at an output level not identified in the verbal plan referenced in iii) above, but which is below **minimum stable generation** for more than 30 minutes for an operational reason and has restated its **available capability** accordingly.*

Other Comments:



Please return this form with your comments by June 12, 2009, to:

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